

BEFORE THE ARIZONA CORPORATE COMMISS.

RECEIVED

COMMISSIONERS

KRISTIN K. MAYES, Charmin

GARY PIRECE PAUL NEWMAN

SANDRA D. KENNEDY

BOB STUMP

2009 JUN 26 P 3: 01

AZ CORP COMMISSISH DOCKET CONTROL

Arizona Corporation Commission DOCKETED

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**DOCKETED BY** 

In the Matter of:

SECURE RESOLUTIONS, INC, an Oregon Corporation:

Respondents.

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DOUGALS COTTLE and KYLA COTTLE,

husband and wife,

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) Docket No.: S-20677A-09-0256

) NOTICE OF OPPORTUNTIY FOR HEARING ) REGARDING PROPOSED ORDER TO CEASE AND ) DESIST, ORDER FOR RESTITUTION, FOR ADMINISTRATIVE PENALTIES, AND FOR OTHER AFFIRMATIVE ACTION

I.

#### Jurisdiction

1. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

II.

#### Respondents

2. Respondent denies allegation, and by further response, Secure Resolutions is an Oregon Corporation with license to do business in Arizona. Respondents deny further allegations.

- 3. Respondent denies allegation, as further response Paul Cottle, not Douglas Cottle, was the registered President of Secure Resolutions from 2003 through 2006 with the authority and responsibility to manage the affairs of the business provided by Secure Resolutions legal documentation. Paul Cottle is a resident of Arizona.
- 4. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 5. Respondent denies allegation.
- 6. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

III.

#### Facts

- 7. Respondent denies allegation.
- 8. Respondent neither admits nor denies the allegations.
- 9. Respondent denies allegation.
- 10. Respondent denies allegation.
  - a. Respondent denies allegation.
  - b. Respondent denies allegation.
  - c. Respondent denies allegation.
- 11. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 12. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 13. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment and by

further response, W. KIKUCHI represented himself to the company as a licensed broker and as a person that made his living by raising investment funds for several companies.

- 14. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 15. Admit that any investment monies that were received were made payable to SRI, never made payable to Cottle or Cottles. As further response, Respondent denies all further allegations, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 16. Respondent denies allegation, further response we agree that DAO was an officer of SRI.
- 17. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 18. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 19. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 20. Respondent denies allegation
- 21. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 22. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - a. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

- b. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- c. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- d. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- e. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- f. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 23. Respondent denies allegation.
- 24. Respondent denies allegation.
- 25. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 26. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 27. Respondent denies allegation.
- 28. Respondent denies allegation.
- 29. Respondent denies allegation.
  - a. Respondent denies allegation.
  - b. Respondent denies allegation.
- 30. Admit, as further response, some shareholders and the Arizona Corporate Commission have interfered with a fair market sale that would have compensated the shareholders of Secure Resolutions for millions of dollars.

- 31. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 32. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 33. Respondent denies allegation.
- 34. Respondent denies allegation.
- 35. Respondent denies allegation.
- 36. Respondent denies allegation.
- 37. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 38. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 39. Respondent denies allegation.
- 40. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - a. Admit, as further response, this contract was with Olympus through their subordinate ITX in the Japanese Market.
  - b. Admit, Secure Resolutions was working a venture with Ahnlab.
  - c. Admit Secure Resolutions had a business relationship with Fujitsu and deny further allegations.
- 41. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 42. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 43. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

- 44. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 45. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
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- 49. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
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  - b. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - c. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - d. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - e. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - f. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - g. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

- h. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- i. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- j. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 50. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 51. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 52. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response, Secure Resolutions communicated with HLHZ verbally as well as in writing on multiple occasions.
- 53. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 54. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 55. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 56. Respondent denies allegation.
- 57. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
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- 59. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 60. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 61. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 62. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 63. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 64. Respondent denies allegation.
- 65. Respondent denies allegation.
- 66. Respondent denies allegation, as further response Paul Cottle not

  Douglas Cottle was the presenter at this meeting and Franciee

  Mattice, a CFO and board member.
- 67. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 68. Respondent denies allegation.
- 69. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 70. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further comment HLHZ and Secure Resolutions had several verbal communications about company projections and stock value.
- 71. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

- 72. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 73. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 74. Respondent denies allegation.
- 75. Respondent denies allegation.
- 76. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 77. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 78. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 79. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 80. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response the company was growing and in-fact received several awards including being named in the top 163 emerging tech Dynamos in the nation.
- 81. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 82. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 83. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

- 84. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 85. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 86. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
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  - b. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - c. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - d. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - e. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - f. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 87. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 88. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 89. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 90. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

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- 91. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - a. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - b. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - c. Respondent denies allegation.
  - d. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response, Secure Resolutions had an agreement with ITX a division of Olympus Corporation.
  - e. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response Secure Resolutions was working on an agreement with Ahnlab.
  - f. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response Secure Resolutions had a business relationship with Fujitsu.
  - g. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
  - h. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment, as further response this was disclosed in shareholder meetings.

- i. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- j. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- k. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 92. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.
- 93. Respondent denies allegation, not of sufficient knowledge or information to form a belief as to the truth of the averment.

VII.

#### REQUESTED RELIEF

Respondents request that the Commission deny the relief requested by the commission and grant the Respondents request that the Commission order the following:

- Order the Commission, it's representatives, employees, and agents from alleging and publicly posting that Douglas Cottle and Kyla Cottle are persons controlling Secure Resolutions.
- Require the Commission to confine any allegations to actions solely within the state of Arizona.
- 3. Order Arizona Corporate Commission and it's representatives, employees, officers and agents to immediately stop and refrain from further committing and aiding in public acts of defamation of character upon Secure Resolutions, Douglas Cottle and Kyla

- Cottle, and pay restitution for such acts and immediately remove such written posting. see EXHIBIT A.
- 4. Order Arizona Corporation Commission to provide restitution and penalties to Secure Resolutions, Douglas Cottle and Kyla Cottle for violation of A.C.C 44-2042 Confidentiality in an investigation by publically soliciting information against the Respondents through the Internet during a confidential investigation. See EXHIBIT A.
- 5. Order Arizona Corporate to pay restitution in the amount of at least \$5,000,000 US dollars for wrongfully interfering with a fair market sale of Secure Resolutions that would have compensated the shareholders and in which the Arizona Corporation Commission was notified of such sale.
- 6. Order any other relief that the Commission deems appropriate.

Dated this 200

Secure Resolutions, Inc. PO Box 13475 Mesa AZ 85216

## EXHIBIT A

 Report: #374561

### . Ripoff Report: Secure Resolutions Inc.

http://www.ripoffreport.com/reports/0/374/RipOff0374561.htm

Category: Software

Secure Resolutions Inc. CEO Douglas Ronald Cottle Fraudulent Fund Raising / Investment Practices. Misleading Sales Data and Debt Default Status to Investors and Channel Sales Prospects. Illegal Revocation of Investor Shareholdings. See current AZ, CA, NV, HI, OR, WA, and Federal Investigations including Arizona Corporation Commission and Shareholder Actions Mesa Arizona

\*Consumer Suggestion .. Important Update!

Secure Resolutions Inc.

Phone: 800-295-8870 Fax: 480-491-7362

1921 South Alma School Road, Suite 201, Mesa, AZ 85210 Mesa, Arizona, 85210 U.S.A.

Submitted: 9/19/2008 11:41:04 PM Modified: 6/17/2009 10:14:49 PM



Pmwarrior Reno, Nevada

Ripoff Report Verified Safe

EXTREME WARMING about doing <u>business</u> with this company - Sales. Partnership or Investment. Complete thorough due diligence and contact investors, employees, prior employees, and vendors, and the Arizona and Oregon Corporation Commission before making any written or oral agreements with the dictatorship of this organization.

Several initial and subsequent investors are pursuing suite for fraudulent fund raising and misrepresentation and nondisclosure of debts as well as wrongful <u>investment</u> and SEC practices. See Arizona Corporation Commission investigation. See also numerous claims awarded to prior employees and vendors. See also public records of CEO's prior history with SRI, FutureCom Global, McAffe, LDS Church, and family <u>records</u> regarding civil claims.

If you believe you have experienced fraudulent and/or misleading representation from this company whether sales related, investment related, employee related, vendor related, please immediately contact any of the following:

Phong (Paul) Huynh phuyn@azcc.gov 602-542-0908 Atty Securities Division

Guy Phillips gphillips@azcc.gov 602-542-0182 Special Investigator

If you have received any documents, records, or <u>emails</u>, between 2001 to current, please foward to the above.

Bill Reno, Nevada U.S.A. Bradley D. Gardner Mesa, <u>Arizona</u> U.S.A.

# Response of Secure Resolutions, Inc. and Douglas Cottle to Bill from Reno, Nevada

Secure Resolutions, Inc. has no idea as to the identity of 'Bill' from Reno, Nevada. Neither does his e-mail address look familiar to company representatives. He is not a former director, officer or employee nor does he appear to be a former or current <u>shareholder</u> or investor. Representatives of Secure Resolutions, Inc. can only presume that this individual is using a fictional name because he knows he is spreading falsehoods about the company and Mr. Cottle.

To set the record straight, there have been no lawsuits filed against Secure Resolutions, Inc., by an <u>investor</u> or shareholder requesting monetary damages. Neither have there been 'numerous claims awarded to prior employees and vendors.' As a matter of fact, there have been no awards of any type to prior employees since Mr. Cottle became the CEO. As for the comment that individuals should examine various <u>public records</u> of the CEO's prior history with various organizations, including the LDS church, such references appear to be no more than a desperate attempt of a rather pathetic individual who will say or do anything to draw attention to himself. Indeed, 'Bill' does not even reference what prior <u>history</u> should be examined or what might be revealed.

Finally, 'Bill' makes reference to an investigation being conducted by the Arizona Corporation Commission. Since such investigations are considered confidential under Arizona law, Secured Resolutions, Inc., is not in a position to confirm or deny that such an investigation exists. Having said that, Secured Resolutions, Inc. and Douglas Cottle unequivocally state that no court or <u>governmental agency</u> has made any finding that either has engaged in any misconduct or any act or fraud.

Bradley D. Gardner Legal counsel for Secure Resolutions and Douglas Cottle c/o Udall, Shumway & Lyons 30 West First Street Mesa, Arizona 85210 480-461-5323 bdq@udallshumway.com